

Message Text

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PAGE 01 SEOUL 00362 161033Z
ACTION EA-12

INFO OCT-01 ISO-00 XMB-02 PA-01 PRS-01 CIAE-00 DODE-00
NSAE-00 NSCE-00 SSO-00 USIE-00 INRE-00 ACDA-12
INR-07 IO-13 L-03 EB-08 NRC-05 OES-07 SOE-02
SS-15 SP-02 TRSE-00 OMB-01 AID-05 PM-05 /102 W
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O R 160905Z JAN 78
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC IMMEDIATE 0000
USDOC WASHDC IMMEDIATE
INFO DOE ERDA WASHDC
DOE ERDA GERMANTOWN

C O N F I D E N T I A L SEOUL 362

DEPT PASS TO EXIM BANK

E.O. 11652: GDS
TAGS: BENC, MNUC, EFIN, FR, GW, KS
SUBJC MAJOR PROJECT - FINANCING FOR KECO NUCLEAR PLANTS

REF: SEOUL 304

1. FURTHER TO REFERENCE CABLE REPORTING FAVORABLE EUROPEAN
EXPORT PROMOTION LOAN TERMS ON NUCLEAR UNITS KORI THREE AND OUR,
EMBASSY HAS ACQUIRED ADDITIONAL DATA ON THE BBC (SWISS)
FINANCIAL PACKAGE. THE INFORMATION, WHICH WE STRESS IS NOT
FULLY CONFIRMED AT THIS POINT, INDICATES THAT THE SWISS
GOVERNMENT IS WILLING TO SUPPORT THE FOLLOWING PACKAGE:
EXPORT CREDIT FOR BALANCE OF PLANT SALES (EITHER ISLAND OR
COMPONENT APPROACH) OF 85 PERCENT OF THE COSTS UP TO SWISS
FRANCS 824,000,000.

2. PROVISION IS ALSO MADE FOR A LOAN OF UP TO SWISS
FRANC 60,000,000 FOR KECO'S LOCAL COSTS.

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3. THE TERMS OF THE GOVERNMENT LOAN OFFER INCLUDE:
INTEREST 6.12 PERCENT
GRACE PERIOD COMPLETION PLUS 6 MO.
REPAYMENT 10 YEARS
COMMITMENT FEE NONE
MANAGEMENT FEE NONE
INSURANCE COST NONE

4. SWISS COMMERCIAL BANK TERMS FOR PROJECT LOANS

GUARANTEED BY THE GOVERNMENT ARE AS FOLLOWS:

INTEREST: LIBOR PLUS 1.725 PERCENT

COMMITMENT FEE: 0.5 PERCENT

MANAGEMENT FEE: 0.75 PERCENT

GRACE PERIOD: 3. YEARS

REPAYMENT: 5. YEARS

5. ONE US FIRM WAS TODAY (MODNAY AFTERNOON SEOUL TIME) INFORMED BY KECO THAT ITS TURBINE/GENERATOR BIDS WOULD BE ACCEPTED ON JANUARY 19 VICE THE EARLIER KECO DEADLINE OF 16 JANUARY. IN ANNOUNCING THE DELAY KECO AGAIN IMPLIED THAT IT WAS NEGOTIATING OR AT LEAST CONSULTING WITH EXIM ON THE LOAN TO BE APPLIED TO THE ENTIRE PROJECT.
SNEIDER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR POWER PLANTS, LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: GS
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Expiration:
Film Number: D780022-0901
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From: SEOUL
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t19780159/aaaabxpf.tel
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Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: de8b63e3-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Release Event: n/a
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Review Withdrawn Fields: n/a
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Secure: OPEN
Status: NATIVE
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TAGS: BENC, MNUC, EFIN, FR, GE, KS
To: STATE COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/de8b63e3-c288-dd11-92da-001cc4696bcc
Review Markings:
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